



State of Utah
DEPARTMENT OF NATURAL RESOURCES
DIVISION OF OIL, GAS AND MINING

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June 23, 2003

Brad Boyter
Western Clay Company
508 East Center
Aurora, Utah 84620

Re: Acceptance of Notice of Intention to Commence Small Mining Operations, Western Clay Company, Three Knolls Mine, S/027/101, Millard County, Utah

Dear Mr. Boyter:

Thank you for your Notice of Intention to Commence Small Mining Operations and \$100.00 partial permit application fee, received by the Division on June 2, 2003. On June 6, 2003, the remaining \$50.00 permit fee was received.. The proposed Three Knolls Mine is located in the SE1/4 NW1/4 NE1/4 and the SW1/4 NE1/4 NE1/4 of Section 14, T20S, R2W, SLBM, Millard County, Utah.

Before we could grant acceptance of the notice, we were required to forward a copy of your notice to the Utah Division of State History to assure that no historical or archaeological properties were in the area of the proposed operation. We received notification from State History that no survey has been conducted at this proposed location.

The Division finds your application complete and no additional information is required by this office at this time. **You may commence with your mining operations as outlined. Please be advised that if you encounter any archaeological or historical concerns, you are to immediately cease operations and notify this office and State History of your find.**

In accordance with the requirements of Rule R647-3-105, regarding the project location and disturbed area identification on a topographic map, *the Division also requires the operator mark the proposed/actual disturbed area boundary (including access/haul roads) in the field with metal T-Posts (or other suitable, fixed markers) to assure that operations do not exceed the five acre limitation of this permit.* Markers must be appropriately spaced so that the next marker in either direction is clearly visible with the naked eye.

The acceptance of this notice is for a small mining operation only, **not to exceed five acres.** Should you wish to expand your operation beyond the five (5) acre limitation, please notify this office as soon as possible to discuss the necessary permitting requirements. Approval of a large mining notice could take from six to twelve months or longer.

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The Utah Mined Land Reclamation Act of 1975 [40-8-7(I)] provides the authority for fee implementation which was approved by the Utah Legislature at its 1998 session. Commencing July 1, 2002, and annually thereafter, the fees were increased to \$150.00 for small mining notices. Because we have allowed a 45 day grace period, any fee payments received after May 15th, will be applied toward the next fiscal year. Therefore, you will not be required to pay the \$150.00 in July for this project. *If you do receive a billing statement for this project in error, please contact Joelle Burns at (801) 538-5291 so the correction can be made.*

For your reference, I have enclosed copies of our summarized rules regarding "Operation and Reclamation Practices," and the statutory penalty for failure to reclaim a minesite (SMO-summary). Please give special consideration to item #10 of the "Operation and Reclamation Practices. Stockpiling topsoil material prior to beginning your mining operation will help ensure successful revegetation efforts upon final reclamation of the minesite. If the area being mined is a solid rock outcrop, or if the land surface is very rocky, then soil stockpiling is probably not possible. However, even the first few inches of undeveloped material is worth saving to aid in later revegetation efforts, and future regulatory release from reclamation requirements.

Thank you for your cooperation. When in the area, a member of the Division staff will examine the site. Best wishes with your mining operation.

Sincerely,

A handwritten signature in black ink, appearing to read "Tom Munson", with a long horizontal flourish extending to the right.

Tom Munson
Senior Reclamation Hydrologist

jb
Enclosure: SMO summary
O:\M027-Millard\S0270101-threeknolls\final\compl-06232003.doc